

AOC

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CANADIAN

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TODAY

Taking a Stand Against
Christmas Tree Holders Pays Off

The tedious task of putting up a Christmas tree - and having it stay up - should be no more, thanks to the ingenuity of some determined Calgarians.

Backed by Alberta Opportunity Company, brothers-in-law Allan Trenouth and Les Hewitt are marketing a unique one-screw tree stand they developed three years ago to put an end to

After putting their heads together and coming up with solutions for a modified tree stand, the duo took their idea to a Calgary engineer who not only helped develop the product, but was so impressed that he bought shares in their company.

Today, The Easy Stand, manufactured by Ladds Products Ltd., is sold across Canada by a number of major outlets including Eatons, Home

Hardware, Zellers, Canadian Tire and The Bay.

"It literally takes the problem out of putting a tree up. It's a one person job instead of a two or three person job," explains Trenouth.

Happy Holidays!

It's that time of year, and just for you, we've put together a special holiday issue of AOC Today, brimming with cheery stories and timely tips to brighten up your December.

All of us, at AOC, wish you a joyous season and all the best in business in the new year. Cheers!

"We pushed hard for the last three years and they finally saw that we had a unique enough product to go ahead. We've got it down now where we're very comfortable approaching buyers in the big chains in the States."

In Canada, The Easy Stand continues to grow in popularity, with 23,000 units expected to be sold this year, amounting to \$330,000 in revenues. If Ladds Products breaks into the U.S. market, it's anticipated annual volume could

increase to up to 200,000 stands.

The product's overwhelming success has meant more than financial rewards for Trenouth and his partners. A survey card

attached to its five-year warranty has spurred dozens of its purchasers to pass on accolades.

"We've gotten just fabulous comments back," says Trenouth, reciting some of the replies received by his company.

"You saved my marriage"... 'this is the best Christmas tree stand ever'... there was even one from a little old lady in New York state, who wrote, 'God bless you, I'm happy again'..."

"There's only one bolt holding the tree in place so you can hold the tree with one hand and tighten it with the other. It's the only stand in the world where you can level the tree without taking it out of the holder."

The stand is so distinctive, that last year its inventors secured a 17-year U.S. patent for it — something Trenouth says was no easy feat given the fact that there were already almost 200 patents for tree holders in North America.

"...Everything about Christmas seemed fun except for putting up the tree..."

Allan Trenouth: Making Christmas easy with The Easy Stand.

the stresses encountered by many a halldecorer every yuletide season.

"It was a matter of frustration, really. Everything about Christmas seemed fun except for putting up the tree," says Trenouth, noting there were no stands available which simplified the process.

"The market is definitely there... it's got a lot of potential."

Photo Restoration Services in High Demand During Gift Giving Season

Darlene Willisko and Jenny Shimbashi consider themselves artists, but to dozens of customers, they're miracle workers.

The owners of Photogra-Fix, with locations in Edmonton and Calgary, are in the midst of their busiest season as they take on the creative challenge of restoring treasured photographs to mint-new condition.

"Christmas is always busy — these make perfect gifts," says Willisko, gesturing towards a cracked, decimated portrait which will be given a second life through hours of painstaking handiwork.

Since purchasing their first shop in Edmonton six years ago, the duo has earned a solid reputation in the restoration field. Business has increased by an estimated 25 per cent, with at least 1,200 photos repaired per year. The success of their original operation prompted Willisko and Shimbashi to expand to Calgary last fall through the help of AOC financing.

"Calgary didn't really have an exclusive shop doing this type of work. The market is definitely there... it's got a lot of potential," notes Shimbashi.

With 30 per cent of all photo restorations throughout the year typically done in the pre-Christmas season, timing for the Calgary location opening

couldn't have been better. Willisko says even the lack of parking at their 17th Avenue shop hasn't stood in the way of customers wanting to take advantage of their services.

Like many entrepreneurs, Willisko and Shimbashi have adjusted to the seasonal nature of their venture. Bi-annual sales balance off the slow months while major purchases are scheduled to coincide with heavy cash flow periods.

Their second shop is expected to do as well as the Edmonton-based Photogra-Fix, but the pair insist the rewards of their business are not so much financial as they are personal.

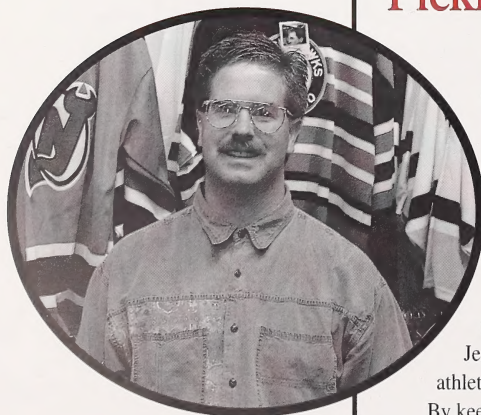
"We know we won't make a ton of money in this business, but we enjoy the work," says Shimbashi.

"We get the odd customer that's quite happy with what we've done."

An understatement to say the least, according to Willisko.

"We've had some who have actually cried ..."

Restoring memories: Darlene Willisko and Jenny Shimbashi of Photogra-Fix.



Jersey City's Wayne Renick

Picking Winners All Part of Racking Up Sales

When the Jays won the World Series earlier this year, sports fans across the country were ecstatic.

The owners of Red Deer-based Genesis Ventures had even more to cheer about — for them, it was also a business victory.

"We had all the Blue Jays products lined up," says Wayne Renick, a partner in the company that operates four Jersey City outlets specializing in licensed athletic wear.

By keeping a close watch on sporting events and gauging team popularity, the players behind Genesis Ventures have helped it evolve into an

enterprise with more than \$1.7 million in annual sales. They opened their first franchise store three years ago in Red Deer with AOC financing, and now own three other outlets in Calgary.

"Almost everybody watches sports on T.V. ... that's our biggest form of advertising. All of the athletes are wearing our product," points out Renick.

Much of the same product is also available at department stores, but strong merchandising and an extensive, exclusive product line have enabled the Jersey City outlets to flourish. Shrewd buying decisions also come into play — something that isn't always easy when the demand for a given item is often dependent on a team's ranking months down the road.



From Minimizing Media Buys to Managing Inventory:

An Inside Look at How One Alberta Retailer Has Pulled it Off

Fifteen years ago, Derek Payne and his wife Janet decided to open their own business.

Today, they head up a casual-wear empire encompassing 29 Below the Belt stores, six Levis outlets and one Guess jeans boutique, with locations from Winnipeg to Victoria.

AOC Today recently caught up with Derek, who presented at our 1992 Entrepreneurs

Conference, to find out more about how he's managed to turn into a retailer to be reckoned with.



"It looks like it's going to be a good Christmas..."

ints

"You have to be a little open and try to pick favorite teams.

We know what events are happening and make an effort to target all of them," says Renick.

"It definitely helps our business that there are so many sports we deal with throughout the year."

Despite the ongoing slate of championships, December is still a key month for sales. Renick is optimistic this year will be no different than others.

"It looks like it's going to be a good Christmas," he predicts, adding the fate of the Calgary Stampeders football team could make it that much better.

"If the Stamps' win, we're laughing."

Q What sets your stores apart from other retail operations?

A: Perhaps the most important factor is our partnership structure. We have owners in every major city that we operate in, enabling local decisions to be made promptly, and equally importantly, ensuring that we carry the right products in each market.

or incentives, gifts with purchase, or even lower prices would be some examples. We feel today that customers don't want to know that five or more per cent of their purchase price went on advertising to get them to the store. Our stores are all located in prime-traffic malls so we see our rent payments more as advertising.

Q How has the direction of your stores evolved over the past 15 years?

A: We are now obsessed with recognizing that as structural economic and social changes occur in our world, every aspect of our business must abruptly change if we are to continue to survive, whereas previously "more of the same" was a safe strategy.

Q How important is the design of a store when it comes to drawing people inside?

A: Customers today demand to be treated like kings and queens, and rightly so. They expect an exciting environment to buy exciting products. The store front must be stunning, the displays thoughtful, and the materials and finishes interesting. Clearly there is a trade-off here between impressive stores versus impressive advertising.

Q What kind of promotional activities do your stores undertake to attract buyers?

A: Our present philosophy is to minimize expenditures on media buys in favor of spending that money on things that either offer our customers better value or help our staff better serve customers. Point of purchase materials, coupons, staff training

Q In retail, you buy what you sell; not sell what you buy. How do you know what sells?

A: We don't. This is more so today, than ever. Retailers once truly believed that they could start fashion trends themselves. Now, those trends only come from the consumer, influenced by image leaders in



Below the Belt's Derek Payne

music and sport, for example. Together, with our store managers and partners, we keep our ears to the ground learning what teenagers are talking about, thinking about and soon to be wearing about. We do not subscribe to any bulletin on industry trends — we prefer to ask a lot of questions, then identify those trends that will appeal to our particular customers. After the exciting part of forecasting the trends, the computers take over tracking sales and watching for the cycle to turn.

Q Management of inventory to create sales, turnover and profits is the single most important responsibility of the owner/manager of any retail business. How have you handled this aspect of your operations?

A: We were one of the first independent retailers to computerize our inventories. Today, we still use the original system which was custom-written for us, although it has been greatly upgraded. We have yet to find any other system in the marketplace that reflects the way we think. But we refuse to allow the information system to make decisions for us; it only presents data on sales, inventories, margins or whatever, to enable us to make informed decisions on behalf of our customers. The fashion industry is driven by intuition, not computers.

Q Based on your experience, what single most important piece of advice would you give other retailers?

A: We typically refrain from giving out advice, but I think that retailers should stop dwelling on price as the most important consideration to customers. If price is that important on a product, drop it, leave it to the discount retailers and get back to finding something new to offer that pleases both customers and your banker, alike.



AOC board member George Renner

AOC Board Member Knows Firsthand the Trials of Being in Business

The challenges faced by retailers in today's tough marketplace are something George Renner deals with everyday. After all, the AOC board member has been in business for more than 40 years, operating two flower shops in Medicine Hat.

"The recession has really affected the average retailer. What you did five years ago or 10 years ago will not work in today's market," says Renner, who was appointed to AOC's board of directors in June 1991.

"You really have to adjust your way of thinking to incorporate new ideas and new record-keeping systems. You have to become far more efficient and be able to do a lot more with less."

Renner says one of the biggest changes he's noticed in the retail sector over the past few years is the emphasis on customer satisfaction.

"The consumer, these days, has lost confidence. We as retailers have had to react — I think this is a way for us to gain their confidence back."

The experience Renner has gained over the past four decades as a merchant has been supplemented by involvement with national and

international organizations. As an active member of the 25,000-member strong Florist Transworld Delivery board and its international affiliate, he's attended meetings across the globe and participated in overseas buying trips on behalf of his peers.

"Sitting on these boards has helped me a great deal in my role with AOC," he notes.

Renner recently broadened his scope even further by entering the political ring, and in October was elected to serve as alderman on Medicine Hat's city council.

Regardless of his new responsibilities, Renner still remains firmly committed to AOC which he says has given him new insight into the nature of private enterprise in Alberta.

"There's a lot of entrepreneurs out there who need our help badly and there are a lot of success stories stemming from the assistance we've provided."



Call us . . .

AOC Today was created to meet your information needs. If there's a business issue you want to see addressed, facts you need to know or a story you'd like us to share, call us! We've got an edition of 'The Best of Alberta' for the best suggestion we receive.

We also want to help you in your entrepreneurial endeavours. If you're looking for business partners, seeking an investment opportunity or trying to sell your own operation, call us! We'll make an effort to pass your needs onto our readership.

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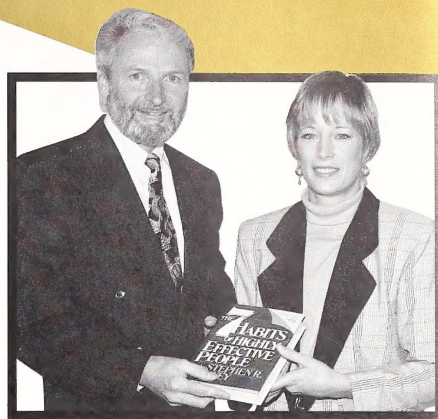
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Design: Linda Blanchett



The Winner is ...

AOC's Edmonton Branch Manager Art Foulston recently presented Jeanna Duke with a copy of 'The 7 Habits of Highly Effective People', after her name was selected from a draw at the annual local Business Expo. During the two-day show, dozens of entrepreneurs visited AOC's booth to learn more about our financing services.



Wayne Blair, who has served as Assistant Vice President of Lending for AOC over the past five years, was recently promoted to the position of Support Services Vice President. He assumes his new role January 1, 1993

Welcome Aboard!

We're proud to welcome the following companies to the AOC family:

Brodie Enterprises Ltd., Grande Prairie
First Step International, Calgary
Hair by Sher, Vauxhall
Lee's Sheet Metal (1980) Ltd., Grande Prairie
McBeans Gourmet Coffee, Grande Prairie
Mini-Lab Processing, Calgary
Music City, Peace River
Northern Belting Co. Ltd., Grande Prairie
Remo Manufacturing Ltd., Redcliff
Southland Resources Ltd., Lethbridge
Supplier of premises, Grande Prairie
Vibrook Holding Company, Brooks

From Us, To You ... A Gift You Can Actually Return!

We know . . . it's the thought that counts. But a lot of times there's some gifts you'd rather weren't thought about at all. Like those leopard-skin seat covers. The electric socks. Or how about that singing plastic fig tree?

Well, we've got good news! We're planning on sending you an issue of AOC Today every month of the year. From us, to you.

But unlike those other gifts, you can return this one. We won't be offended. And we won't be bitter, either. Because we know your time is valuable.

If you find that the inside scoop from other entrepreneurs, advice columns from business professionals, and general information isn't serving your needs, just call us at 1-800-661-3811 and we'll take your name off our mailing list.

Because this is one present you can return. Guilt-free.

It's our gift to you.

When Roy Parker shuts the door to his office December 31 for the last time, he won't be shutting the door on your business dreams.



“The end of the year marks the end of my career
as President and CEO of Alberta Opportunity Company.
It's hard to imagine... I'm retiring.

“But that doesn't mean I don't care anymore about entrepreneurs
and their financial needs.

“After all, for almost two decades,
I've been part of a dynamic organization that believes in potential.

“As an *alternate source of financing*, we've made it our mission
to take on clients traditional lending institutions won't.

“We've helped thousands
of determined Albertans launch, purchase, and expand
businesses of all kinds and all sizes.

“Exciting? Sometimes ...Rewarding? Always!
Not something you can easily turn your back on.

“Still, on December 31, I *will* shut my office door for the last time.
But I won't shut the door on your dreams and goals.

“As a member of AOC's board of directors,
I'll be right there playing a role in one of Alberta's
most inspiring crown corporations.

“And our staff will be there, eager to hear about
your business financing needs.

“Because at AOC, our door is always open.”

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